



# FINANCIAL WISDOM

- WEALTH BUILDER -

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## Time-Tested Money Management Strategies

As we grow up, what we learn about money from our parents can significantly influence how we earn, save, and grow our wealth. Meaghan, an elementary school teacher, credits her mother for her healthy approach to finances today. "I was lucky to grow up understanding that I could control my financial future if I was smart about it." There's a lot to be learned from a generation that knew how to manage their finances and feel optimistic about the future. Consider these time-tested principles that you can use to enhance your relationship with money.

### Live Within Your Means

Living within your means starts with understanding where you're spending your money, setting a budget and following it. Knowing what's coming in and what's going out gives every dollar a purpose. It helps make the most of your hard-earned money for today's enjoyment and informs how to save for emergencies and the future.

### Pay Yourself First

Paying yourself first is a golden rule of generations past. It's also one of the pillars of personal finance. The good news is that it doesn't take much to get that nest egg started. Begin by allocating just a small portion of every paycheque to a savings account. Regularly saving even just a little at a time is one of the best ways to safeguard your financial security, and watching your savings grow is a powerful motivator.

### Have a Rainy Day Fund

Life can throw some costly curveballs. Whether it's a car repair, a medical expense or a household emergency, having a rainy day fund in place protects you from taking on credit card debt or dipping into other savings when a crisis hits. It also helps you stay on target with your budgeting and future saving goals.

### Talk About It

Money is often a taboo subject, which is why it tends to be avoided. However, not communicating openly about money can lead to costly mistakes and create unnecessary conflict. Whether it's with a spouse, roommate, child or ageing parents, knowing how to talk constructively and honestly about money can help you gain and maintain control over your financial circumstances today and for the long term.

### Get Professional Advice

People who have been successful with their finances over time have consistently relied upon trusted financial advisors to understand how to manage money and plan for the future. This relationship is a key strategy to help people of any generation prioritize financial goals, create and maintain a plan for a brighter future.

Whether you grew up financially literate like Meaghan did or raised in a family where money was a source of anxiety, the beliefs you've inherited will impact your relationship with money. To build upon what you've learned or to find how to put your finances on a healthier path, contact our office. We're here to help you no matter where you are in your financial journey.

**Want to add to the sound advice your parents gave you? We can help with that!**

## The Cremasco Team

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